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## **REMARKS**

Claims 1-8, 24-26, 38-59 and 71-74 were pending. Claims 1-8, 24-26, 38-59 and 71-74 were rejected. By virtue of this response, claims 26, 39, 43-45, 47-49, 56, 57, and 71-74 are cancelled, claims 1, 3, 4, 38, 40-42, 46, 50, and 53-55 are amended, and new claims 75-79 are added. Accordingly, claims 1-8, 24, 25, 38, 40-42, 46, 50-55, 58, 59, and 75-79 are currently under consideration. Amendment and cancellation of claims relating to any subject matter is not to be construed as dedication or surrender of any such subject matter. No new matter was added by virtue of this response.

For the Examiner's convenience, Applicants' remarks are presented in the same order in which they were raised in the Office Action.

## Claim Rejections Under 35 U.S.C. §103

Claims 1-8, 25, 26, 50, 52-59 and 72-74 are rejected under 35 U.S.C. 103(a) as being unpatentable over Copple et al (6,178,408) in view of Kamille (5,996,997).

Claim 1 as currently amended is to an offline-online points system and recites in part, "logic... to determine whether the code submitted by the user is a valid code and if valid then to credit the user with points, the points being accummuable into a point balance with other points credited for point actionable activities including one or more of viewing an advertisement, and registering with a website, the points redeemable for value, including for an item which the user won in an auction."

The Examiner alleges that Copple at Column 3, Line 64-Column 4, Line 52 discloses "a system for earning and redeeming incentive points...and further discloses that the interacting with the servers comprises registration, [or] attention to an ad." Paper No. 20050912, Page 11. This is not so. In this section, Copple apparently discloses receiving points for coupons, or purchases of products or services through the mails or over the Internet, and that promoters can collaborate to provide central redemption of points. Copple does not apparently teach, "point actionable activities

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including one or more of viewing an advertisement, and registering with a website." Moreover, Coppel specifically mentions registration to begin auction participation at Column 4, Lines 45-54 but provides no suggestion that such activity may be point actionable. Instead, Coppel teaches a system "intended to...allow computer network users to participate in a promotional points redemption program." Thus, Coppel does not teach or suggest "point actionable activities including one or more of viewing an advertisement, and registering with a website."

Claim 1 further recites in part, "logic operable to track the point balance in an account of an account database having a <u>plurality of accounts configurable for transferring points therebetween."</u>

Coppel does not teach or suggest such logic because Coppel is concerned with allowing consumers to bid at auctions for items using points gained through promotion programs. Coppel does not teach or suggest such a recitation which permits users to both bid on items at auction and <u>sell</u> items at auction.

Claim 1 further recites in part, "logic operable to associate respective credit lines with accounts determined to be for users that are heavily active, the respective credit lines for supplementing the point balance of the respective account with credit points for auction participation." The Examiner has taken Official Notice that this recitation was well-known at the time of invention, and has provided examples such as pre-qualification of participants in auctions of high-value items, and Cornelius, Figure 64, Figure 79, Column 19, Lines 10-23, and 54-57 and Column 21 Lines 19-21, and Postrel Column 11, Lines 29-35. However, these references do not teach or suggest providing credit to users determined to be "heavily active." The Examiner has not demonstrated that "heavily active," which is a determination of activity within the offline-online points system, is congruent with a determination of general credit worthiness. As such, Applicants respectfully traverse the Examiner's use of Official Notice in this situation and request that the Examiner provide a reference in an analogous field of art that teaches or suggests providing credit to users based on determination of activity within a system like that of claim 1.

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Claim 50 is to a method, and recites in part "accumulating the credited points in an account with other points credited for point actionable activities including one or more of viewing an advertisement, and registering with a website, the points redeemable for value, including for an item which the user won in an auction." Applicants submit that no combination of references cited by the Examiner teach or suggest this limitation in the context of a method for offline-online management of points. Therefore claim 50 is allowable over Copple and Eggleston.

Applicants respectfully submit that the above exemplary recitations of claims 1 and 50 show that these claims as a whole are not obvious over the combinations proposed by the Examiner. The Applicants' disclosure should not be used as a roadmap to arrive at a rejection of the present claims.

Claims 26, 56, 57, and 72-74 are cancelled.

Claims 24 and 51 were rejected under 35 U.S.C. 103(a) as being unpatentable over Kamille (5,996,997) in view of Copple et al (6,178,408) and in further view of Eggleston et al (6,061,660).

Claim 24 depends from claim 1 and claim 51 depends from 50, which are each allowable independent claims. By virtue of this dependency, claims 24 and 51 are presently allowable and Applicants respectfully request withdrawal of the rejection against claims 24 and 51.

Claims 38-41, 43, 44 and 46-48 are rejected under 35 U.S.C. 103(a) as being unpatentable over Copple et al (6,178,408).

Currently amended claim 38 is directed to a system for incentive points earning and redemption, which comprises in part, "database logic operable to track a point balance of the user in an account of an account database having a plurality of accounts, to transfer points among the plurality of accounts, and to characterize each point of the point balance as one of purchase and attention incentive points." Copple does not teach or suggest the above recitation because as discussed with respect to claim 1, Copple teaches a system "intended to...allow computer network

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users to participate in a promotional points redemption program." Thus, there would be teaching or suggestion in Copple regarding "to transfer points among the plurality of accounts, and to characterize each point of the point balance as one of purchase and attention incentive points" as such recitations are not relevant to the problem to be solved in Copple. Therefore Applicants submit that claim 38 is allowable over Copple and request withdrawal of the rejection against claim 38.

Claims 39, 43, 44, 47, and 48 are cancelled.

Claims 40 and 46 depend from claim 38 and each recites further limitations not taught or suggested by Coppel. Applicants submit that claims 40 and 46 are allowable by virtue of dependency from claim 38 and by virtue of these further recitations.

Claims 41 and 42 depend from claim 38, and Applicants submit that claims 41 and 42 are allowable by virtue of dependency from claim 38.

Claims 42, 45, 49, and 71 are rejected under 35 U.S.C. 103(a) as being unpatentable over Copple et al (6,178,408) in view of Eggleston et al (6,061,660).

Claim 42 depends indirectly from claim 38, which Applicants respectfully submit to be allowable over the Examiner's proposed combinations of references and therefore request withdrawal of the rejection against claim 42. Claims 45, 49, and 71 are cancelled.

New claim 75 claims an aspect of an auction and depends from claim 4. Applicants submit that the cited references do not teach or suggest this limitation.

New claim 76 is to an online merchant affinity points method. The method comprises "providing points to an online merchant, the points provided in exchange for at least one of cash, advertising revenue, and web traffic" and "establishing an online venue for redeeming for value, from a user, at least a portion of the points provided to the merchant, the points obtained by the user from the merchant by engaging in point actionable activities including at least one of registering at

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a web site, viewing an ad, and clicking on an ad." Applicants submit that the proposed combinations of references used in rejecting claims in the present application do not teach or suggest all the elements of claim 76.

New claims 77-79 each depend from claim 76. Claim 77 includes "categorizing the points obtained by the user into a plurality of categories; establishing point expiration rules for each of the plurality of categories; and reducing the point balance based on expiration of points in one or more of the plurality of categories." Applicants submit that these recitations are not taught or suggested by the references cited in rejection the pending claims.

Claim 78 recites in part, "categorizing the points obtained by the user into a plurality of categories; establishing point valuation rules for points in each of the plurality of categories; and providing an account value based on the point valuation rules and amount of points categorized into respective categories." Applicants submit that these recitations are not taught or suggested by the references cited in rejection the pending claims.

By virtue of the additional limitations in claims 77 and 78 as well as by virtue of dependency from claim 77, Applicants submit that claims 77 and 78 are allowable over the cited prior art.

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## **CONCLUSION**

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue. If it is determined that a telephone conference would expedite the prosecution of this application, the Examiner is invited to telephone the undersigned at the number given below.

In the event the U.S. Patent and Trademark office determines that an extension and/or other relief is required, applicant petitions for any required relief including extensions of time and authorizes the Commissioner to charge the cost of such petitions and/or other fees due in connection with the filing of this document to Deposit Account No. 03-1952 referencing docket no. 324212003100. However, the Commissioner is not authorized to charge the cost of the issue fee to the Deposit Account.

Dated: December 15, 2005

Respectfully/submixed,

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